



The California Trade Coalition

A Coalition Working to Keep California Competitive in a Global Economy

American Chemistry Council

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Associated General
Contractors of California

California Association
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California Business
Properties Association

California Business
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California Nevada Cement
Promotion Council

California Railroad Industry

California Retailers
Association

Consumer Electronics
Association

Grocery Manufacturers
Association

Industrial Environmental
Association

International Council
of Cruise Lines

International Council
of Shopping Centers

Matson Navigation Company

Maersk Inc.

Pacific Merchant
Shipping Association

Retail Industry Leaders
Association

Society of the
Plastics Industry

SSA Marine

Western Home
Furnishings Association

Western States
Petroleum Association

April 19, 2006

Dr. Robert Sawyer
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Goods Movement Emissions Reduction Plan

Dear Dr. Sawyer:

In keeping with Governor Schwarzenegger's visionary January 27, 2005 policy declaration on "Goods Movement in California," the California Trade Coalition (CalTrade) respectfully requests that you delay the approval of your proposed Goods Movement Emission Reduction Plan. Such a delay will allow you to work within the Governor's stated policy and, subsequently, direct your staff to realign their work to date with the Goods Movement Action Plan Integrated Working Group process and with your future timelines for development of the SIP.

We believe that process and policy reasons warrant a delay in your adoption, in order to both develop nexus in the Emissions Reduction Plan with the infrastructure and environmental components of the Goods Movement Action Plan and Strategic Growth Plan and in order to better develop the details of this plan within the context of the SIP. Unfortunately, it seems that this plan's hallmark recommendations can be characterized by huge information gaps and further by its curious incongruity with the Governor's Strategic Growth Plan and the Goods Movement Action Plan, in which CalEPA is a lead partner with BT&H and CARB staff has been intimately involved. These problems can be alleviated by simply slowing down the approval process and thinking about coordinating the goals of these processes.

The incongruities of this plan simply render it of little real world import and out of step with the Governor's policies because it does not include any relationship to planned infrastructure improvements or emissions reduction strategies being discussed and promoted within the Administration itself. We would strongly recommend that you take additional time to redirect your staff to reevaluate these parallel initiatives, apply them to the development of the entirety of our trade infrastructure, both domestic, intrastate and foreign and domestic interstate, and

then

reconcile them with your staff's good work to date.

To this point, it had been our understanding from the start of this process that the intention of moving forward with a Emission Reduction Plan was always to compliment and work in parallel with the Goods Movement Action Plan policies and its processes on infrastructure development. This nexus has not been addressed in the Emission Reduction Plan - although it has been thoroughly and significantly discussed, debated, adopted, and subsequently produced considerable delays, in the Goods Movement Action Plan process.

Simply put, CalTrade takes the Governor's policy declaration of January 2005, its subsequent Goods Movement Action Plan, and his Strategic Growth Plan at their face value. Thus, we believe that by not reconciling infrastructure improvements within this document its relevance is moot within the context of the Governor's other initiatives. As a result of the fact that the Air Resources Board's report does not reflect these initiatives, we believe it is fair to assume that your plan does not conform to, or place faith in, these important infrastructure plans promoted by the Governor and his stated policy.

In order to further provide some additional background for your policymaking, please find, and include in our official comments, the documents attached to this comment letter, including: a CalTrade letter dated today to Governor Schwarzenegger regarding the Emission Reduction Plan; a CalTrade letter dated December 9, 2005 to Governor Schwarzenegger and legislative leaders regarding infrastructure and environmental Goods Movement projects and issues; and, the Administration's policy declaration itself of January 27, 2005.

We would, again, respectfully request that you delay your adoption of the Emission Reduction Plan on April 20th.

Sincerely,

The California Trade Coalition

cc: Governor Arnold Schwarzenegger
Sunne Wright McPeak, Secretary BT&H
Catherine Witherspoon, Executive Officer, CARB